

EXHIBIT A

AGREEMENT
BETWEEN
MIRANT NEW YORK, INC.
AND
LOCAL UNION NO. 503
OF THE
INTERNATIONAL BROTHERHOOD
OF
ELECTRICAL WORKERS
EFFECTIVE JUNE 1, 2003



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PREAMBLE

This Agreement is effective the 1st day of June, 2003, by and between MIRANT NEW YORK, INC., a corporation organized and existing under and pursuant to the laws of the State of New York, its successors or assigns, hereinafter referred to as the "Company" and LOCAL UNION NO. 503 of the INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO, hereinafter referred to as the "Union."

WHEREAS, it is the intent of the parties to set forth herein their Agreement covering rates of pay, wages, hours of work and other terms and conditions of employment; to promote efficiency, safety and productivity of employees and to provide for prompt and fair settlement of grievances.

The parties acknowledge that the New York energy market is now deregulated, it is the intent of the parties to reach an Agreement which will enable the Company to be competitive in the deregulated energy market.

Identity of contracting parties: The parties to this Contract agree that it shall have force and effect as between them as herein named and described, and that this Contract, for any part of its term, shall be binding on the parties.

This Agreement shall bind and insure to the benefit of the parties hereto and to their respective successors and assigns to sign on and accept the current collective bargaining agreement, whether by sale, transfer, lease, acquisition, consolidation of operations, or any portion of operations, or change in name. The Company shall provide notice of the existence of the terms of this Collective Bargaining Agreement to any purchaser, transferee, assignee or lessee. Such notice shall be in writing with a copy to the Union.

Now, THEREFORE, the parties do agree as follows:

ARTICLE 1 Recognition

1.1 The Company recognizes the International Brotherhood of Electrical Workers, and Local Union 503 of the International Brotherhood of Electrical Workers, having been certified by the National Labor Relations Board as the sole bargaining agent for operations and maintenance employees working at the Lovett Generation Station, the Bowline Generation Station and the Hydro/GT Generation Facilities located at Mongaup, Swinging Bridge, Shoemaker, Grahamsville, Rio and Hillburn. All supervisory, clerical, confidential, administrative and professional employees and guards at said locations are excluded from the Collective Bargaining Agreement.

1.2 Employees covered herein together with the work usually performed by them are listed by job classifications in Appendix "A," to be attached hereto and made a part hereof.

1.3 If the above named Local Union is merged into or consolidated with any other Local Unions of the Brotherhood, this Contract shall continue in force as between the Company and the successor Local Unions resulting from such merger or consolidation,

when such merger or consolidation is sanctioned in accordance with the Constitution of the International Brotherhood of Electrical Workers, AFL-CIO.

ARTICLE 2
Union-Company Relationship

2.1

- a) Employees who, on the date of the signing of this Agreement, are members of the Union in good standing, and all employees who become members after that date shall, as a condition of employment, maintain their membership in the Union for the duration of this Agreement.
- b) All persons hired for or transferred into job classifications within the bargaining unit, shall, as a condition of employment, be required to affiliate with the Union within thirty (30) days after the date of employment or thirty (30) days after the date of their transfer into such job and shall maintain membership in the Union for the duration of the Agreement.
- c) In the event that the employees, including temporary employees, falls out of good standing, the Company shall, within thirty (30) days after receipt of written notice from the Union, discharge such employee or transfer such employee to a job classification not within the bargaining unit. The Union agrees to hold the Company harmless from any loss or liability arising from the discharge of an employee at the request of the Union.
- d) As used in this Agreement, the following terms shall have the following meaning: A probationary employee normally remains on probation or on trial, until he becomes a permanent employee. A new employee will be considered probationary during the first one hundred eighty (180) days of his/her employment, unless the Company and the Union agree that circumstances warrant an extension of time.
- e) A temporary employee is one who is hired to replace a permanent employee who is on extended sick leave or one who is hired for a specific job of limited duration not exceeding six (6) months. The Company and the Union may agree to an extension of time if the circumstances warrant.
- f) Temporary employees hired into a job classification listed in Appendix "A," shall receive the negotiated rate of pay of the job.
- g) The use of a temporary employee, as stated in the above paragraphs, is for purposes intended by the above paragraphs only and shall not affect the intent of other portions of this Collective Bargaining Agreement.
- h) Temporary and probationary employees may be discharged or laid off without recourse. If a temporary or probationary employee institutes legal action against the Local Union for not fairly representing them concerning employment with the Company, the Company will make a good faith effort to supply all documents and information to enable the Union to defend itself in

such action. This shall not be considered a waiver of any Company rights under this Section of the Agreement.

- i) When a probationary employee is made permanent, they shall be placed on the seniority list as of the first day of their employment.
- j) If a temporary employee should, in the course of continuous employment, be reclassified as a probationary employee, they must serve a probation period of one hundred eighty (180) days beginning from the date they were reclassified as probationary. After successfully completing their probationary period, they will be credited with all their continuous services in determining Company seniority and eligibility to receive employee benefits.
- k) The Company will deduct bi-weekly Union dues from each employee in the bargaining unit who is a member of the Union and who, in writing, during the month before such deductions are to start, voluntarily authorizes the Company to do so on a payroll deduction authorization form acceptable to the Company. Such deductions shall be remitted bi-weekly to the Financial Secretary of the Local Union at the earliest convenient date.
- l) Persons hired, except summer students, for temporary bargaining unit vacancies, shall as of a condition of employment, be required to make application for membership in the Union on or after their 30th day of such continuous employment, and thereafter remain members in good standing during the period of this Agreement, if they continue to be employed in a job shown in Appendix "A." In the event that an individual covered hereby fails to comply with the requirements of this paragraph, the Company shall, within thirty (30) days after receipt of written notice from the Union, discharge the employee. The provisions in respect to the requirements of temporary persons to join the Union do not change this status under the definition of the bargaining unit in Article 1, Section 1, which defines the "employees" represented by the Union as regular full time employees in the bargaining unit who have successfully completed their probationary period. Neither does it entitle the temporary persons to any rights or benefits under the Agreement other than those explicitly provided for them in those portions of the Agreement which specifically refers to them.

2.2 The Union shall be the sole judge of its own rules and regulations with respect to Union membership.

2.3 The Company will provide reasonable space upon its present bulletin boards and electronic mail at its plants for the posting of official Local Union notices.

2.4 Neither the Company nor the Union, through their officers, members, representatives, agents or committees, shall engage in any subterfuge of any kind for the purpose of defeating or evading the terms of this Agreement.

2.5

- a) There shall be no discrimination, interference, restraint or coercion by the Company or any of its agents against any employee because of any lawful activities on behalf of the Union, or because of membership in the Union; and

the Union, its members and its agents, shall not coerce employees into membership in the Union in an unlawful manner.

- b) Duly authorized agents of the Union may visit the Company's facilities to speak with employees after approval of the Plant Manager or Human Resources Manager. Approval will not be unreasonably withheld.
- c) Stewards shall not be recognized by the Company until the Union has notified the Company's Human Resources Department in writing of the selection.

2.6 The Company agrees to call to the attention of each new employee, when hired, the Union membership requirements of this Agreement and to furnish the employee with a copy thereof within five (5) working days after their employment.

2.7 The Union agrees to do its utmost to see that its members perform their respective duties in the Company loyally, efficiently and continuously under the terms of this Agreement. The Union and its members will use their best endeavors to protect the interests of the Company, to conserve its property and to give service of the highest productive quality.

2.8 Notices hereunder shall be deemed to have been adequately given if served by the United States mail upon the persons named below at the addresses indicated unless otherwise notified in writing.

Either party may, in its sole discretion, designate in writing any new persons to receive said notices during the life of this Agreement.

Notice to the Union shall be addressed to:

President/Business Manager/Financial Secretary
IBEW Local Union 503
303 S. Middletown Road
Nanuet, NY 10954-3330

Notice to the Company shall be addressed to:

Human Resource Manager
Mirant New York, Inc.
Four Executive Boulevard
Suite 100
Suffern, NY 10901

ARTICLE 3
Hours of Work, Overtime

3.1 The standard workweek for all employees shall be from 12:01am, Sunday, through 12:00 midnight, Saturday, except for shift operations requiring continuous work, in which case the workweek ends with the shift ending nearest to midnight, Saturday, and the succeeding workweek begins immediately thereafter.

3.2 Employees covered by this Agreement shall consist of shift and scheduled workers as designated on the job specifications.

3.3

- a) A shift employee is defined as one who works a rotating shift which is operated twenty-four (24) hours per day, seven (7) days per week, including work on Sunday and Holidays. These employees eat their meals at the job location and mealtime is included as part of the workday.
- b) The Company shall configure the work shifts as follows to provide for eighty (80) hours of work in a bi-weekly pay period:
 - 1) Eight (8) hours per shift for five (5) days within a workweek. Rest days shall be consecutive.
 - 2) Any ten (10) hours per shift for four (4) days within a workweek. Rest days shall be consecutive.
 - 3) Twelve (12) hour shifts for three (3) or four (4) days within a workweek. Rest days shall be consecutive.

3.4 The Company and the Union agree to study alternative shifts and schedules during the first six (6) months of this Agreement prior to any implementation of ten (10) hour and twelve (12) hour shifts and schedules. There must be mutual agreement by the parties.

3.5 A scheduled worker is defined as one who works a special schedule, with an unpaid half (1/2) hour meal period (unless otherwise agreed to) and whose workweek consists of the following:

- a) Any eight (8) hours out of any nine (9) consecutive hours for five (5) consecutive workdays totaling forty (40) hours per week.
- b) Any ten (10) hours out of any eleven (11) consecutive hours for four (4) consecutive days totaling forty (40) hours per week. Rest days shall be consecutive.
- c) For Fuel Technicians, twelve (12) hour shifts for three (3) or four (4) days within a workweek. Rest days shall be consecutive.

3.6

- a) Any hours past the normal scheduled workday or exceeding forty (40) hours of work in a workweek shall be overtime.
- b) Payroll processing shall be on a bi-weekly basis (i.e. every two weeks), with the payday occurring on Thursday of the payroll processing week. If a Company observed holiday falls on the payday, the preceding workday shall be the payroll day. A payroll direct deposit system is available for all employees for check depositing convenience.

3.7

- a) Overtime to the nearest fifteen (15) minutes shall be paid at the rate of one and one-half (1-1/2) times the straight-time rate for all hours worked outside of the regularly scheduled basic workday or basic workweek, except where otherwise provided. Overtime payments shall not be duplicated for the same hours worked under any of the terms of this Agreement. There shall be no pyramiding of overtime and/or premium pay permitted.
- b) Shift or scheduled employees desiring to change shifts or schedules, full or in part, with employees in the same classification may do so upon making arrangements between themselves and notifying the Supervisor in writing, providing that the time so exchanged will be equalized during the payroll period. The Company and Union shall address any abuse of swapping.
- c) Swaps shall not increase any costs to the Company.
- d) No swaps will be allowed on a day/week of training if the Company provides at least one (1) week's advance notice of such training.

3.8 Work on Sundays by shift and scheduled employees shall be paid for at double time except that for shift workers, the second day off shall be considered their Sunday.

3.9

- a) Overtime shall be distributed equitably among employees in each job classification. It is the Union's responsibility to require its members in the bargaining unit to be available to meet the emergency operating needs of the Company.
- b) Employees who have worked overtime shall not be given time off without pay on a regularly scheduled workday to equalize overtime.

3.10

- a) Employees shall be paid a five percent (5%) premium for actual hours worked as part of the scheduled basic workweek between the hours of 4:00pm and 8:00am.
- b) Shift workers scheduled for Sunday work between 8:00am and 4:00pm will be paid a premium of five percent (5%) per hour for the total of the scheduled basic workday hours worked.
- c) This premium shall not be paid for any work performed for which overtime is paid.

3.11

- a) Changes in the schedule of work will be given by written notice to be posted at least 72 hours in advance. Otherwise, the Company will pay time and one-half (1-1/2) for work on the first shift so changed.
- b) The schedule of work may be changed by mutual consent without penalty.

- c) Scheduled employees may be assigned to scheduled overtime work, and such assignment shall not be considered a change in the posted schedule of work.

3.12 An employee shall be considered as being called out to work when the employee is called at home to come back to work for overtime outside his normal work schedule. The employee who is called out to work shall be paid for a minimum of three (3) hours' time at the applicable rate except as follows:

- a) If such callout occurs sixty (60) minutes or less prior to the beginning of the employee's normal workday or scheduled work period, the employee shall be paid for a minimum of two (2) hours' time at the applicable rate.
- b) If an employee is called at home to report for work within 120 minutes (2 hours) or less time, then pay commences immediately. The employee is entitled to overtime meals, paid by the Company, as outlined in the collective bargaining agreement.
- c) If an employee is called at home to report for work beyond a 120-minute (2 hours) period of time, then pay commences when the employee actually reports for work. The employee is not entitled to any overtime meals except as otherwise provided for in the collective bargaining agreement.

3.13

- a) An employee who is scheduled to report for overtime work outside his/her regularly scheduled normal workday, but within his/her scheduled normal workweek, shall be paid for a minimum of two (2) hours' time at the applicable rate, with the exception that, if he/she continues to work on into his/her normal workday within the normal workweek, he/she shall be paid at the applicable rate only for the actual time worked. Payment shall be made for the work as scheduled unless the employee is notified at work prior to the end of his/her normal workday or twenty-four (24) hours before such work was scheduled to start.
- b) An employee who, upon at least forty-eight (48) hours' advance notice, is scheduled to work outside his/her regularly scheduled workweek, shall be paid a minimum of two (2) hours' time at the applicable rate. However, if the job is canceled, no payment shall be made if notice of cancellation is given before employee leaves work, within the normal workweek, immediately preceding the day on which the job was to be done, or sooner. If less than forty-eight (48) hours' advance notice is given, a minimum payment of two (2) hours at the applicable rate shall be made for the work as scheduled, unless notice of cancellation is given at least twenty-four (24) hours before such work was scheduled to start.

3.14 The following shall apply to employees required to work sixteen (16) or more consecutive hours or between 12:00 midnight and 4:00am.

- a) An employee who has worked sixteen (16) consecutive hours shall be entitled to an eight (8) hour rest period before he/she returns to work. If this rest period extends into his/her regularly scheduled basic workday within

his/her basic workweek, he/she shall lose no time thereby. When an employee is called back to work two (2) hours or less after working to the end of his/her regularly scheduled workday or extension thereof, the Company will bridge this time without pay for all purposes of this section.

If an employee is required to work more than sixteen (16) consecutive hours, he/she will be paid at double time (2X) rate for those hours worked in excess of sixteen (16).

An employee recalled after less than eight (8) hours of time off, following sixteen (16) or more consecutive hours of work, shall receive double time (2X) for hours worked until he/she is granted a total of eight (8) hours of time off.

- b) Where the provisions of subparagraph (a) do not apply, an employee required to work overtime between the hours of 12:00 midnight and 4:00am, immediately preceding his/her basic workday within his/her basic workweek, shall be entitled to a rest period in such basic workday equal to the time worked between 12:00 midnight and 8:00am. Except that an employee who worked any seven (7) hours or more will be entitled to an eight (8) hour rest period.
- c) No employee shall be entitled to rest periods under (a) and (b) on account of the same hours worked.
- d) In cases of emergency, the Company may request him/her to waive time off allowed under (b) above and continue work. If he/she does continue to work in his/her basic workday, he/she shall be paid double time (2X) for such work in lieu of time off.
- e) No employee shall engage in any employment other than that with the Company which requires his/her services beyond the time that will allow of his/her having an eight (8) hour rest period before his/her regular starting time with the Company.

ARTICLE 4

Seniority in Promotion, Transfer, Lay-Off and Reemployment

4.1

- a) An employee's length of service shall begin on the employee's first day actually worked.
- b) Employees who leave in good standing and are rehired at a later date will be considered a new hire. "Good Standing" means that the employee was not terminated for cause. Any employee terminated for cause is not eligible for rehire at any Company facility.

4.2

- a) Length of service in the Company shall be known as "Company Service."

- b) Length of service in each plant occupational group, shall be known as "Occupational Group Seniority."
- c) Length of service in each classification within each occupational group shall be known as "Classification Seniority."

4.3 For the purpose of occupational group seniority, the occupational groups are as follows:

Bowline/Lovett Plants

Plant Assistant
Craft Trainee
Fuel Technician 3
Fuel Technician 2
Fuel Technician 1
Operations Technician – Lovett*
Operations Technician – Bowline*
Operations & Maintenance 2
Operations & Maintenance 1
Test Technician 3
Test Technician 2
Test Technician 1
Instrument Control & Electrical Technician 3
Instrument Control & Electrical Technician 2
Instrument Control & Electrical Technician 1
Mechanical Technician 3
Mechanical Technician 2
Mechanical Technician 1
Material Handler

Classifications marked with () can bid these job vacancies and be awarded only after the personnel in that plant has been exhausted.

Hydro

Hydro Plant Operator 1st Class
Hydro Plant Operator 2nd Class
Hydro & CT Maintenance Chief
Hydro & CT Maintenance 1st Class
Hydro & CT Maintenance 2nd Class
Hydro & CT Maintenance 3rd Class

4.4 An employee transferred from one occupational group to another will retain both job classification and occupational group seniority in the former occupational group until their seniority in the new group is equal to that in the old group.

4.5 When vacancies are not filled in accordance with provisions of Article 8, Section 4, the following procedure will be followed:

- a) When a vacancy exists or is to exist or when a new position is to be created within the bargaining unit, the Company shall post a notice on the bulletin

boards at the respective plants usually used by Local Union, throughout the Company, for a period of seven (7) calendar days.

- b) The posting will set forth the job classification, job duties and qualifications, whether shift or scheduled, date of starting, wage rate and normal reporting headquarters.
- c) At the time of such posting, a similar notice relative to such vacancy or position to be created shall be mailed to the last known addresses of employees of such unit, who have been laid off due to lack of work within a period of two (2) years prior to the date that such vacancy or position is to be filled or created, providing that such employees meet the minimum job qualifications and that the employee is in a position to accept the position not later than three (3) weeks from the date of mailing notification.
- d) Employees desiring to be considered in filling such vacancy/transfer or position shall make application, on a standard application form, to the Human Resources Manager; setting forth their qualifications for such vacancy or position. The Company shall not be bound to consider any such application unless it is received by the Company within seven (7) days of the posting or mailing of such notice or notices.
 - 1) The transfer vacancies shall be filled by job classification seniority. In the event that two or more persons have equal length of service in the job classification, occupational group seniority shall govern. In the event that seniority within the occupational group is also equal, service on a Company-wide basis shall govern between such persons.
 - 2) Any employee transferring in the same classification will retain their current seniority and rate of pay at time of transfer.
 - 3) Employees of the same classification desiring to exchange headquarters/plant with another employee may do so with the Company's and Union's approval.
- e) Employees of the occupational group involved and who are absent from work due to vacations or sickness, and who have sufficient qualifications, shall be considered to have filed an application for such vacancy or position.
- f) The Local Union President shall be given a copy of all applications and the job award.
- g) In filling these vacancies, the qualifications to be considered are:
 - 1) Ability to do the job as safely and economically as it can be done under the circumstances.
 - 2) Knowledge of the job which is being filled and meet the qualifications of the posting.
 - 3) Experience in types of work related to the job being filled.
 - 4) Promptness and regularity in reporting for work.
 - 5) Observance of Company rules and regulations.

6) Physical fitness.

- h) For promotions to all classifications listed herein, if testing is required, an employee must have received a passing grade prior to being promoted. Where testing and qualifications as set forth above are sufficient, seniority within job classification shall govern. In the event that two or more persons have equal length of service in the job classification, occupational group seniority will govern. In the event that seniority within the occupational group is also equal, service on a Company-wide basis shall govern as between such persons. If a job is not filled on an occupational basis, the above procedure shall apply Company-wide.**
- 1) Passing grade on skill tests shall be valid for the employee's length of employment after date of the examination.**
 - 2) The developed examination or test shall be given and graded by one representative of the Company and one representative of the Union. The Union representative shall be appointed by the Union President.**
 - 3) If the vacancy is not filled from the first tested group, additional tests will be scheduled providing there are additional applicants (seniority will prevail). The same test will be used until the posting is satisfied.**
 - 4) The examination will be scheduled on Company time and will be paid according to the straight time rate. The applicants will be given the opportunity for eight (8) hours rest prior to the examination.**
 - 5) Upon request by the employee, resource data/reference materials shall be made available to qualified applicants ten (10) days prior to taking the examination.**
- i) Employees filling vacancies shall be released to fill said vacancy as soon as reasonably possible, but not later than sixty (60) calendar days from the date of starting on the posting.**

4.6

- a) In the event it becomes necessary to reduce in rank an employee from a non-bargaining unit position, such change must take place within one hundred twenty (120) calendar days from the filling of the position. The employee shall be returned to the classification from which promoted within the bargaining unit and shall assume in it their old seniority plus that accumulated in their higher position. If the employee cannot perform the work in that classification, the classification to which assigned and the seniority which the employee assumes in it shall be mutually agreed upon by the Company and the Union. If the employee was not promoted from the bargaining unit, they shall not be assigned to it unless by mutual agreement.**
- b) An employee who fills a non-bargaining unit position and requests to return to their former job classification must do so within sixty (60) calendar days after filling the position. They shall immediately resume the wage rate and the classification and occupational group seniority they would have been entitled to if they had not left this classification. If the employee cannot perform the work in that classification, the classification to which assigned and the seniority which the employee assumes in it shall be mutually agreed upon by the Company and the Union.**

4.7 An employee who is promoted or transferred shall be given one hundred twenty (120) calendar days in which it shall be determined whether or not they can meet the job requirements. During this period they shall be instructed and trained on the job. Any employee failing to meet job requirements within this period shall be reassigned to the classification from which they were promoted or transferred and shall immediately resume the wage rate and the classification and occupational group seniority they would have been entitled to if they had not left this classification. Any employee who fills a job vacancy through the job posting procedure and who requests to return to their former job classification must do so within sixty (60) calendar days after filling job vacancy. They shall immediately resume the wage rate and the classification and occupational group seniority they would have been entitled to if they had not left this classification.

4.8 Except when the provisions of Article 8, Section 4, apply, when it is necessary to curtail forces in an occupational group because of lack of work, seniority will govern. Starting with the classification in which the surplus exists, those with the least seniority shall be placed in the next lower classification providing it can be reasonably expected they are capable of filling the position, or they formerly worked in that classification, and if a surplus exists there, then those with the least seniority shall be placed in the next lower classification, provided it can reasonably be expected they are capable of filling the position, or they formerly worked in that classification. When the lowest classification is reached, and a surplus still exists, those employees with the least seniority in that classification shall be laid off unless there are other employees with less employment in another occupational group whose work these employees are qualified to perform. In this case the displaced employee shall, in turn, replace another employee junior to them whose work they are qualified to perform; or if there is none, then they shall be laid off. The seniority of an employee transferred to a lower classification in their occupational group, shall transcend the seniority of other employees in that occupational group, for promotions to the classification from which they came. Such seniority preference shall remain in effect until such time as the employee refuses an opportunity to return to their basic classification at the original location.

4.9 Lists showing seniority in Occupational Groups, service with the Company, the date of attaining the present job classification and reporting headquarters/plant shall be supplied to the Local Union President in April and October each year. Notices indicating employee's name and address will be sent to the Local Union President:

- a) Within a week after hiring an employee on a probationary or temporary basis;
- b) Within a week after making a temporary employee probationary, or
- c) Before making a temporary employee permanent.

4.10 An employee shall lose all seniority rights for any or more of the following:

- a) If the employee quits of his own accord.
- b) If the employee is dismissed for cause and is not reinstated.
- c) If the employee refuses reemployment in their basic classification.

- d) If the employee does not return to work in their basic classification after being recalled, or does not notify the Company within five (5) days that they will return within fourteen (14) days, and if the employee does not return within this time limit, unless due to actual illness, accident or by mutual agreement.
- e) If the employee is absent due to lay-off for a continued period of more than two (2) years.

4.11

- a) When employees are given written notice of formal discipline, the notice will remain in the employee's file for up to one (1) year for each violation.
- b) When an employee is to be transferred, demoted, laid off for lack of work, or penalized or discharged for cause or any other change of status, the Company agrees to give notice in advance to the Local Union President and the reasons therefore, except in the case of gross misconduct. When an employee resigns, the Company agrees to give notice to the Union President of such resignation.
- c) Before any disciplinary action involving loss of pay is taken, the Company will discuss, within twenty-four (24) hours, the facts and circumstances involved with the employees(s) and the Local Union President or an authorized representative.

**ARTICLE 5
Working Conditions
Inter-Plant Transfers**

5.1

- a) All employees will have a normal reporting headquarters/plant.
- b) The Company may temporarily transfer or reschedule employees from Lovett and Bowline to meet immediate operational needs or for outages by seniority in the classification.
- c) The Company has the right to transfer employees from one plant to the other on a permanent basis to accommodate staffing needs, in accordance with Article 4, Section 5.
- d) Temporary assignments shall be polled by job classification seniority in the plant. Assignments longer than three (3) months shall be re-polled one (1) time which shall be two (2) weeks from the point of assignment.
- e) Employees assigned to a temporary assignment will work overtime at the assignment and shall remain on his/her department call-out list.
- f) When the Company requires employees to be away from their home overnight, the Company shall pay for adequate lodging, meals and transportation. Employees who use their own vehicle shall receive compensation at the IRS Mileage Allowance.

5.2

- a) An employee required to continue work for a period longer than two (2) hours beyond the scheduled quitting time shall be entitled to a meal and to an additional meal for each additional five (5) hours worked thereafter. An employee called out to work outside of their scheduled working hours shall be entitled to a meal for each five (5) hours worked. An employee who is called out to work before or after their regular workday schedule and misses a meal thereby, or is requested to report for work more than one (1) hour in advance of their regular working hours and misses a meal thereby, shall be entitled to a meal. The meal allowance for meals earned is seventeen dollars and fifty cents (\$17.50). These overtime meals shall be eaten on Company time and only such time shall be taken as is reasonably necessary to obtain and eat the meal. Shift and scheduled employees will, upon request, be entitled to a meal furnished or paid for by the Company.
- b) It is further agreed if an employee is called out prior to the normal starting time and does not have time to go after his/her lunch, he/she will be entitled to lunch furnished or paid for by the Company.

An employee scheduled to report more than one (1) hour before their normal morning reporting time on their first or second day off and missing breakfast thereby, will be entitled to breakfast furnished or paid for by the Company.

- c) Meal hours, as they apply to special conditions set forth in the contract, for shift and scheduled workers, will be considered as follows:
 - Breakfast for all days from 6:30am to 7:30am.
 - For all employees all Noon meals, except Sundays, from 12:00 Noon to 12:30pm.
 - Sunday Noon and holiday meals from 1:00pm to 2:00pm.
 - All evening meals from 5:30pm to 6:30pm.
- d) The understanding of Article 5, Section 2, with regard to shift replacements, is that an employee subject to shift replacement will be eligible for a maximum of two (2) meals.
- e) Regularly scheduled meal periods, as mutually agreed, shall be observed except in the case of a job involving a restoration of service, safety to the public, or vital plant equipment, that can be finished in a relatively short period of time.
- f) Regularly scheduled meal periods for shift and scheduled workers, working eight (8) hour shifts, shall be between the fourth (4th) and fifth and a half (5th - ½) hour. Where a scheduled worker is required to work through his/her regularly scheduled meal period, he/she shall be paid overtime for the time so worked and given a meal period on Company time within one (1) hour from the end of his/her regularly scheduled meal period. Meal periods shall be

developed in accordance to Article 3, Section 4, for all other shift and schedules greater than eight (8) hours.

5.3

- a) In emergencies, employees will perform any work for which they are qualified. However, employees in a lower classification will be used for work in a higher classification only when those in a higher classification in a plant or department are unavailable or exhausted.
- b) An employee may be assigned temporarily to perform the duties of a higher classification for which he/she is qualified only in emergencies as provided above or for the purpose of replacing another employee who is off with pay or on leave of absence, or posted vacancy, the senior qualified employee working will be upgraded and paid at the upgraded rate for the entire shift.
- c) Assignments to higher classifications within a headquarters will be made in accordance with job classification seniority of employees in that headquarters/plant.

5.4

- a) Where an employee is reassigned because of physical disability rendering him/her unable to perform the work of his/her classification, his/her rate of pay until retirement, death, resignation, or discharge for cause shall not be reduced below the percentage as shown below of his/her rate prior to such demotion.

Continuous Years of Service	Adjustment in Pay
10 years or more and up to 15	80%
15 years or more	100%

- b) Employees whose wages are guaranteed under this Section may be shifted from time to time to any job within the Company, which they are capable of performing, without compliance with the usual procedure, without regard for seniority.
- c) These readjustments shall not apply to cases caused by or contributed to by negligence or voluntary act of the employee.

5.5 No Group/Team Leader or Supervisor shall act in other than supervisory capacity except in emergencies. This is not intended to prevent a Group/Team Leader or Supervisor from protecting life or property, providing training nor from giving emergency assistance. However, the primary function of a Group/Team Leader is supervision and he/she is not to perform work which will eliminate a person.

5.6

- a) Work usually performed by employees in this bargaining unit will not be contracted out if it will result in loss of employment to the employees covered by this Agreement.
- b) When building or construction work is to be contracted out by the Company, all other matters being equal, the Company will give preference to contractors

having Union Agreements with the International Brotherhood of Electrical Workers, or other unions affiliated with the AFL-CIO, providing nothing herein shall require the Company to violate Federal, State or municipal laws or regulations.

ARTICLE 6

Safety

6.1

- a) The Company has the responsibility of a safe, healthful workplace.
- b) The safety rules and regulations established by the Company or Government authority shall be strictly adhered to by both the employees and the Company, and the Company shall enforce these rules and regulations uniformly. Representatives of the Company and the Union shall meet at the request of either to discuss the reasonableness of safety rules and regulations.
- c) Proposed changes in safety rules and regulations shall be submitted to the Union for full discussion before becoming effective.
- d) A Safety Committee shall be established at the following locations: Bowline, Lovett and the Hydro's and maintained by this agreement between the parties. Each Plant Manager and the respective Safety Committee shall meet monthly. All Safety Committees shall meet jointly at least twice a year.
 - 1) Each Safety Committee will develop a charter and team rules.
 - 2) All Union Safety Representatives shall be appointed by the Union President as follows:
 - a) Two (2) Union Representatives from Bowline
 - b) Two (2) Union Representatives from Lovett
 - c) One (1) Union Representative from Hydro's
- e) Written copies of the Safety Rules and Regulations will be furnished to all new employees at the time of their employment.
- f) All lost time or disabling injury accidents shall be fully and promptly investigated by a committee directed by the Company Safety Representative to determine the facts involved in such accidents. The Local Union shall designate in writing for the term of the contract a representative and an alternate as a member of such committee. The Local Union Representative or alternate on the committee shall be involved in only investigations of lost time or disabling accidents involving that Local Union's personnel. In the case of other than lost time or disabling injury accidents, involving Local Union personnel, the Safety Manager may, at his/her discretion and upon request of the Local Union Representative, conduct a joint investigation.
- g) The Company will provide the Local Union President, or their designated representative, copies of all written Accident Condition Equipment Reports (ACE) involving bargaining unit personnel, all Joint Union/Management Accident Investigation Reports, and Joint Team Inspection Reports within

fifteen (15) working days of such accident, incident, investigation or inspection. Should unusual or extenuating circumstances preclude this time limit from being met after discussion with the Local Union, the Manager - Safety may extend this period.

- h) The employer shall provide each employee, upon request, with a complete and accurate report of any epidemiological studies and industrial hygiene measurements or investigations related to the employee's occupational exposure.
- i) Upon written request, the Company shall provide each employee with a complete and accurate report of that employee's medical examination(s) and any other medical results consistent with O.S.H.A.

Employees shall receive prior to any medical examination a copy of the Surveillance Examination Content. The Surveillance Examination shall define each Medical Evaluation for each protocol (i.e. Respirator, Noise, Asbestos...etc.)

- j) The Company shall continue to manage the Asbestos Abatement Program. In the event it becomes necessary to include training in Asbestos Handling, the Company will contact the Local Union in accordance with Article 12 of the Labor Agreement.
- k) Employees who are required to have a CDL due to job responsibilities shall receive Defensive Driving training every three (3) years. Hydro employees shall receive Medic First Aid training every two (2) years.

6.2

- a) Employees affected by changes in equipment or operating procedures shall have training in such changes.

When new equipment is introduced, employees who would be required to maintain, operate, or install this equipment, shall have training in its use and maintenance.

- b) Employees shall report unsafe equipment or conditions to their immediate supervisor. The ACE report form shall be used for that purpose. The Supervisor shall respond in writing within two (2) weeks. If the situation is not abated within thirty (30) days, then the concern may be brought before the respective Safety Committee. If the Safety Committee fails to satisfactorily resolve the concern within three (3) months, then the concern may be presented to the President of the Company for a final resolution. A copy of the final resolution shall be attached to the respective Safety Minutes within sixty (60) days.

6.3 An employee shall not be required to perform any hazardous task with which he/she is not familiar.

6.4

- a) The Company shall furnish all tools, raincoats, boots and hats, safety devices, and other equipment considered necessary. The employee receiving such tools and equipment shall be responsible for their return in good condition, ordinary wear and tear and reasonable loss excepted. The Company shall provide suitable and safe space for storing tools and equipment furnished to employees.
- b) Employees in job classifications where safety shoes are required as defined in the applicable OSHA standard will be reimbursed up to \$140 per year for the purchase of safety shoes. Safety shoes may be purchased at a vendor of the employee's choice; however the shoes must meet the current ANSI Z41 standard. To receive the reimbursement, the employee must furnish to the Company a copy of the receipt. If an employee has a medical problem and special safety shoes are required, the Company will reimburse the employee for the cost of the shoes. Effective June 1, 2006, employees will be reimbursed up to \$160 per year for the purchase of safety shoes.
- c) Employees who require prescription lenses and who are in job classifications where safety glasses are required as defined in the applicable OSHA standard, will be reimbursed for one (1) pair of safety glasses per year. Reimbursement will be processed through the Company's Vision benefit coverage. If the employee has exhausted his/her vision benefit for the year, the Company will reimburse the employee for the cost. Should, during the year, the prescription changes making new lenses necessary, the employee will be entitled to a new pair of safety glasses. The Company will provide safety glasses to employees who do not require prescription lenses and who are in job classifications where safety glasses are required.
- d) Employees at the Bowline and Lovett Plant shall be required to wear protective clothing. The appropriate clothing and maintenance shall be provided by the Company.
 - 1) The Fuel Handler classification shall be furnished protective winter clothing.
 - 2) Ice Vests shall be available for employees working on burner fronts.
 - 3) Plant Operators at the Hydro Facilities who require protective clothing as defined in the applicable OSHA standard will be provided a clothing allowance of \$500 per year to purchase clothing. The purchased clothing must be worn while at work and be in compliance with the applicable OSHA standard. The allowance will be paid in June of each year. New employees' clothing allowance shall be prorated on a monthly basis.
 - 4) All employees stationed at all generating facilities will be issued adequate pants, shirts and jackets to perform their work. Requests for additional uniforms will not be unreasonably withheld.

6.5

- a) Meetings: Monthly safety meetings will be held among the employee work

groups for the purpose of instruction in safe work practices.

- b) Job Briefing: The person in charge of a work group will hold meetings of employees under his/her responsibility for the purpose of daily work planning and review of conduct of work with regard to applicable safety rules. Job briefing will be held prior to the beginning of each work assignment and when there is a substantial change in a work assignment.
- c) No employees shall be required, or permitted, to perform work in violation of the safety rules adopted by the Company and the Union.

ARTICLE 7

Vacations-Holidays-Leaves of Absence

7.1

- a) Vacation with base pay will be granted as described in Appendix "B".
- b) The normal vacation period shall be between May 1st and September 30th. All employees will be afforded the opportunity of scheduling a minimum of 2 weeks vacation within the normal vacation period by seniority subject to Appendix "B".
- c) Vacations will normally be taken within a single period. If an employee desires to split his/her vacation into not more than two periods, application should be made to the department head and the request will be approved where schedules permit.
- d) Employees may in any year defer up to five (5) days vacation to the following year. This deferred vacation time must be taken by May 1, the beginning of the normal vacation period.
- e) In the event that sickness, disability, or a compensable accident occurs prior to the scheduled vacation of an employee, the vacation will be rescheduled at the request of the employee whenever practicable within the calendar year or during the following year.

7.2 If a holiday falls in the scheduled workweek of the vacation period, the employee will receive an extra day off with pay.

7.3 If requested, employees shall be given in advance the pay due for their vacation.

7.4 Vacation schedules will be arranged in conformity with the wishes of the employee within the limits of reasonable operating procedure.

7.5

- a) When leaving the Company, an employee entitled to vacation as provided in Section 1 of this Article, shall be granted the vacation still due him/her if taken before the date of separation, or paid the corresponding appropriate vacation pay if he/she works up to the date of separation:

Provided, however, that an employee who resigns without giving proper notice shall not be granted a vacation or given vacation pay. By "proper notice" means that the employee shall have informed the Company sufficiently in advance so that he/she shall work at least two (2) weeks before the resignation/retirement of his/her service with the Company.

Employees with ten (10) full years of service, who resign from the Company with proper notice, shall be granted vacation earned during the year in which the resignation occurs in accordance with Section 1 (a) of this Article.

- b) Employees who retire shall be granted vacation earned during the year in which retirement occurs, in accordance with section 1(a) of the Article.
- c) Retiring employees to whom the preceding paragraph applies may work up to the date of retirement provided the employee gives the Company notice of his/her desire to work up to the date of retirement at least two (2) months prior to the date of retirement. These employees may elect to be paid the corresponding appropriate vacation pay in lieu of time off for vacation earned in the year of retirement.
- d) In the event of the death of an active employee, there shall be granted to the beneficiary designated by the deceased employee on his/her company life insurance coverage, or in the absence thereof, to his/her estate, the unpaid vacation pay that would have been due during the current year and the vacation earned in the year death occurred.

7.6

- a) The following days shall be recognized as listed in Appendix "B". When any one of these holidays falls on a Saturday the holiday shall for all purposes of this Agreement be observed on the preceding Friday. If Federal or State Law provides for observance of any one of these holidays on a day other than that prescribed in the foregoing, the holiday shall, for all purposes of this Agreement, be observed on the date prescribed by Federal or State Law. An employee may elect to take their Floating Holiday during the calendar year, providing that the operating conditions at the time are such that their services can be spared and providing two (2) weeks notice is given.
- b) Shift workers shall observe the same number of holidays as are observed by scheduled workers; however, the day of observance will be the actual day of the holiday.
- c) When a day recognized as a holiday in this Section falls on a day of rest of a scheduled/shift worker, the next scheduled workday of such scheduled worker, shall be treated for the purpose of holiday pay, as a holiday.
- d) When a recognized holiday occurs on Saturday and is observed on the preceding Friday, if operating conditions permit, scheduled workers who are scheduled to work Tuesday through Saturday will be rescheduled to Monday through Friday.

7.7

- a) Employees, other than shift workers, shall have time off with regular straight-time pay on holidays when the holidays fall in the regularly scheduled workweek. If these employees are required to work on a holiday during their regularly scheduled hours, they shall be paid time and one-half (1-1/2) in addition to the regular straight-time pay. If required to work outside of the regularly scheduled hours, the employee shall be paid two and one-half (2-1/2) times his base rate for hours so worked.
- b) Shift employees will work on days recognized as holidays in Appendix "B" falling in their regularly scheduled workweek and shall be paid two and one-half (2-1/2) times the base rate for all hours so worked.
- c) Employees who are absent from work on a day recognized as a holiday in Appendix "B", due to illness or injuries that are compensable under the provision of the Workmen's Compensation Law, shall receive eight (8) hours' straight-time pay.

7.8

- a) Article 7, Section 8 shall apply to a maximum of one (1) full time elected or appointed paid Local 503 Officer.
- b) An employee who is selected to serve as a full time Representative for the Local Union shall, after reasonable notice to the Company, be granted a leave of absence without pay during his/her term of office, and shall continue to accumulate seniority throughout the leave of absence. Upon termination of his/her duties, he/she shall be reinstated in his/her former position provided he/she is physically able to perform the work and it has not been eliminated. If the position has been eliminated, or he/she is physically unable to perform the work, he/she shall be treated according to the seniority provisions provided he/she is physically able to perform the work assigned to him/her. The number on leave of absence for this purpose shall not at any time exceed one (1), unless increased by mutual consent.
- c) During leaves of absence under Article 7, Section 8, employees will be allowed to bid on job postings. If awarded the job, the employee must report to the job within thirty (30) days from the date of starting on the posting.
- d) All vacation earned to date will be paid to the employees on leave of absence under Article 7, Section 8 when such leave commences. Employees returning from a leave of absence under Article 7, Section 6 will be entitled to vacation in the calendar year following their return based on vacation earned in the year they returned.
- e) Employee(s) returning to work after leave under Article 7, Section 8 must return within thirty (30) days of termination of their leave.
- f) Employee(s) returning to work after leave under Article 7, Section 8 and who have earned vacation while serving as a full time Union Representative will be allowed time off from the Company with no pay for such vacation,

however, this time off must be scheduled with the appropriate management immediately upon return to work.

- g) Employee(s) returning to work after leave under Article 7, Section 8 will have their earned sick time reinstated immediately.
- h) The Local 503 full time President/Business Manager or Business Representative who are on full time Representative unpaid leave or absence (Article 7, Section 8) will be credited with full pension credited service while so serving.
- i) The Local Union Vice President, Recording Secretary, Financial Secretary and Treasurer, Chairman and Vice-Chairman who are absent from work for Union business, who otherwise have been scheduled to work, with proper notification to the Company, shall be entitled to credited service at the rate of eight (8) hours per day or forty (40) hours per week, not to exceed forty (40) days per calendar year for such periods of absence.
- j) Any other bargaining unit member who is absent from work without pay and who is participating in a recognized Company/Union activity with proper notification to the Company, shall be entitled to credited service at the rate of eight (8) hours per day or forty (40) hours per week, not to exceed five (5) days per calendar year for such periods of absence.
- k) The Company will permit full time Union Representatives who are on unpaid leave pursuant to Article 7, Section 6, to continue to be covered by the Company's then existing, life insurance, hospitalization, surgical/medical, major medical, prescription, dental and vision care only. The employee shall make the same co-pays as an active employee.

7.9. Employees who are selected by their Local Union to serve as accredited delegates to conventions or similar meetings shall, after reasonable notice to the Company, be granted a leave of absence without pay for sufficient time for this purpose and, during such leave, shall be allowed to continue his/her contribution to the Company's pension plan as though he/she was still employed by the Company, up to a maximum of thirty (30) days.

7.10. Funeral leave shall be granted in accordance with Appendix E.

7.11.

- a) Jury Duty leave shall be granted in accordance with Appendix F.
- b) Scheduled or shift workers called for jury duty of one (1) week or more shall be reassigned to the Monday through Friday day shift, providing proper notification has been provided to supervision by the employee.
- c) As required, employees will be rescheduled to cover vacancies created by jury duty assignments. The reassignments shall only be from Monday through Friday.

- d) On days employees do not report for jury duty or a day they are excused early, they report for work.

7.12. Military Leave of Absence shall be granted in accordance with Appendix G.

7.13 An employee may request and shall be granted one (1) paid personal day per year. Personal time shall be granted in increments of not less than four (4) hours. Notification of the need for personal time shall be given to the supervisor as far in advance as is possible.

7.14 Sick Leave, Short-Term Disability and Long-Term Disability

Employees are eligible from their start date of hire for sixty-four (64) hours of annual sick leave at 100% pay. Any unused sick leave up to a maximum of sixteen (16) hours can be carried over to the following year. This sick leave is only for the employee's health conditions.

If after three (3) consecutive days it is determined by the employee's physician and the Company disability manager that the employee will require Short-Term Disability, then the employee's leave would convert to coverage as Short-Term Disability. The employee's sick leave balance would be reduced by a maximum of eight (8) hours per day.

Employees will start on January 1, 2004 with a bank of eighty (80) sick hours consisting of sixty-four (64) hours currently in the policy and an additional sixteen (16) hours. There after, employees can carry over the remaining sick hours capped at sixteen (16) hours.

Employees are eligible from their date of hire for up to six (6) months Short-Term Disability leave at 100% pay. The duration of the leave is dependent upon the employee's condition as determined by the employee's physician and the disability manager. Short-Term Disability covers the employee's serious personal illness or injury, as defined in accordance with the Disability Manager. A serious personal illness or injury exists:

- When an employee cannot perform each of the important duties of his or her occupation because of illness or injury which extends for more than three days, and
- When the employee is under regular care and treatment of a licensed physician, who is practicing within the scope of his or her license during the entire period of disability, and
- When the illness or injury is certified as a serious personal illness/injury by a health care provider and approved by the Company disability manager.

If an illness causes an employee to be out for more than three (3) consecutive days, for FMLA or anticipated FMLA absences from work, employees must notify the Company disability manager to ensure consistent administration in accordance with FMLA requirements.

All absences must be reported to the employee's supervisor. Employees must notify their supervisor of an expected absence.

Short-Term disability benefits are subject to the Company disability manager's approval based upon satisfactory information from the employee and, in most instances, the employee's doctor. Benefits are paid based on the employee's base pay as of the last day worked.

Short-Term Disability benefits will be reduced by any benefits the employee receives or is eligible to receive (regardless of whether the employee applied for said benefits) from the following sources:

- State disability benefits
- Disability benefits under the Social Security act
- Other state-mandated benefits (such as no-fault)
- Disability benefits you receive from a governmental plan or from any other group plan, individual plan or policy.

Upon return to work, employees may be asked to provide written certification (fitness for duty) from their physician indicating that they are ready to return to work.

Under the Long-Term Disability policy, the Employees may become eligible for benefits after they have been continuously disabled for 180 days. This is considered the elimination period. The Company disability manager will treat the employee's disability as continuous if the disability stops for 30 days or less during the elimination period. The days that the employee is not disabled (or the employee has returned to work) will not count toward the elimination period.

The Company and the Union will continue cooperation in an attempt to eliminate abuse of sick leave.

Chronic short-term absentees (particularly those not available at home) will be discussed periodically with the Local Union President. If absenteeism continues, Company and Union representatives will jointly discuss solutions of the problem with the employee who may be required to submit a doctor's certificate for subsequent absences.

ARTICLE 8

Employee Benefits

8.1

- a) The Company states that it has no present intention to eliminate, change or modify any benefit now enjoyed by its employees during the term of this Agreement. It agrees that if any change or modification is to be made in any of such benefits it will, in advance, discuss with, give reasons therefore and explain such anticipated changes to the Union or its officials. It further agrees that if such change or modification is to be made, it will apply to all employees previously entitled thereto. See appendices "C" & "D"
- b) Prior to any future change made by the Company in the agency or the carrier of the insurance pertaining to the health benefits or the coverage of said health benefits, which will provide the benefits or coverage's as good as the benefits or the coverage's as existing before the change, the Company will

furnish to the Union comparative data as to all changed benefits and coverage's at a joint Company-Union benefits review meeting to assure that the benefit levels are equivalent or better.

- c) A Medical Benefit Cost Containment Committee shall be established to verify premiums and discuss cost savings. The committee shall include at the Business Unit Level, the Human Resources Manager, the Benefits Manager and the Union President or his designee.

8.2

- a) For the duration of this Agreement, but without commitment or obligation thereafter, permanent employees who have completed one (1) year or more of continuous service and who are laid off for lack of work shall be given an allowance of one (1) week's base pay for each full year of continuous service. This allowance shall be in addition to any vacation pay given the separated employee.
- b) If the employee accepts a separation allowance, the Company shall not be obligated to rehire such employee, anything herein to the contrary notwithstanding.
- c) This separation allowance will not apply to employees who are pensioned nor may an employee who has received such an allowance be given credit again for any years previously compensated for under this paragraph.

8.3 The Company shall continue its present Pension Plan as amended, (See appendices "C" & "D") and the Group Life Insurance Plan including Accidental Death or Dismemberment now in force as long as it is entitled under applicable laws to a deduction for income tax purposes of amounts contributed thereto.

8.4

- a) While this Agreement is effective, no regular employee who has ten (10) or more years of continuous service shall be laid off because of lack of work, nor shall his/her rate of pay be reduced thereby. In the event of a reduction, elimination or reassignment of work, the Company shall have the right to transfer an eligible employee affected thereby to a job that may then be available within the Company for which he/she is qualified. It is understood, however, that such transfer of an eligible employee shall not displace another employee with ten (10) or more years of continuous service.
- b) Transfer of employees under Subsections 4(a) above, will be made in the reverse order of their job classification seniority within the job classification from which they are transferred.
- c) Employees transferred to perform work pursuant to the provisions of Subsection 4(b) above, shall retain their Company, occupational group and classification seniority for all purposes to which they are transferred.
- d) The ten (10) year provision outlined in Subsection 4(a) above shall only apply to those employees who are not affected by a Plant closure and/or unit retirement after Subsection 4(b) is completed.

8.5

- a) For any such sick leave which is compensable under the New York State Disability Benefits Act, the Company agrees to pay a permanent employee straight-time for the first five (5) days and thereafter, in accordance with paragraphs (a) and (b) of this Section, for the period prescribed by the Act, the difference between the employee's regular weekly wages and the amount payable under the New York State Disability Act.
- b) For any lost-time injury compensable under the Workmen's Compensation Act, the Company shall pay permanent employees straight-time pay for the first five (5) days, and thereafter, for periods corresponding to those allowed for sick leave, the difference between the employee's regular net wages and the amount received for compensation insurance.
- c) The first week of straight-time pay referred to in the paragraphs concerning disability benefits and Workmen's Compensation benefits shall be paid only if the employee is entitled to one (1) week or more of sick pay.

8.6 Maternity leave without pay will be granted upon application to start at the end of the sixth (6th) month of pregnancy and end two (2) months after resulting birth. Such maternity leave may be extended for an additional period of eight (8) weeks upon application and submission of satisfactory proof of physical necessity for same provided conditions of work at time of such application for an extension is such that her services can be spared.

During the period of maternity leave granted pursuant to the foregoing paragraph, the Company may fill the vacancy created by such maternity leave by temporary transfer and/or temporary hiring of an employee to replace any vacancy caused by the maternity leave.

When such maternity leave is granted, seniority shall accumulate. If such employee overstays her leave or accepts employment elsewhere during such leave without the Company's consent, her employment with the Company shall be deemed to have terminated.

8.7 Personal Leave of Absence

- a) An unpaid personal leave of absence of no more than six (6) months may be granted to an employee with the approval of the Plant Manager and the Manager of Human Resources.
- b) Requests for the personal leave of absence will be considered on an individual basis. Such situations will be evaluated and the terms defined on a case-by-case basis based on the business needs.
- c) The employee will be responsible for the payment of the total benefit cost during the leave of absence.
- d) When such leave of absence is granted, seniority shall accumulate, but if such employee overstays his/her leave or accepts employment elsewhere during such leave without the consent of the Company, his/her employment with the Company shall be deemed to have terminated.